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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

VIASAT, INC.

a Delaware corporation,

Plaintiff and Counter-Defendant,

v.

ACACIA COMMUNICATIONS, INC.

a Delaware corporation,

Defendant and Counter-Claimant.

) Case No. 3:16-463-BEN-JMA

)

) **VIASAT'S OPPOSITION TO**

) **ACACIA'S MOTION FOR PARTIAL**

) **SUMMARY JUDGMENT**

) **REGARDING DAMAGES**

) **[REDACTED]**

)

) Date: February 20, 2018

) Time: 10:30 a.m. PST

) Place: Courtroom 5A

)

) Hon. Dist. Judge Roger T. Benitez

) Hon. Magistrate Judge Jan M. Adler

) Case Initiated: January 21, 2016

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INTRODUCTION

Acacia's Motion floats a variety of different contract-based theories to limit its liability for unauthorized use of ViaSat's trade secrets and other confidential information. Each of these theories fails because Acacia misstates the facts, misstates the law, and misstates the terms of the contract.

Acacia first argues that the parties' license agreement limits its liability for misappropriation of ViaSat's trade secrets in the accused, unlicensed products to the amount of past royalties Acacia has paid for different, licensed products. The limitation of liability provision does not say that; it specifically excludes claims based on unauthorized use or disclosure of ViaSat's trade secrets, which is the basis of ViaSat's claims. Moreover, Acacia's interpretation would result in a liability cap that bears no reasonable relationship to actual harm, which would not be enforceable under Delaware law. Nor will Delaware law enforce a limitation of liability for intentional torts.

Acacia next argues that ViaSat should be limited to recovering royalties under the license agreement, rather than unjust enrichment damages. The argument is legally and factually baseless. The California Uniform Trade Secrets Act specifically authorizes unjust enrichment damages. Furthermore, the license agreement specifies the amount of royalties only for use of licensed materials in licensed products. ViaSat has alleged misappropriation of unlicensed materials in unlicensed products, which the license agreement's royalty structure, by definition, does not address. Acacia itself vigorously maintains that ViaSat's asserted trade secrets are outside the scope of the license—otherwise it would have to admit liability, as it concedes it uses at least six of ViaSat's seven trade secrets—so it cannot credibly claim the license agreement defines their value.

Finally, Acacia argues that ViaSat's trade secrets are no longer enforceable because the parties' original non-disclosure agreement, which pre-dated the license agreement, expired in [REDACTED]. Acacia overlooks the fact that the license agreement has its own term, and its own independent confidentiality restrictions that protect ViaSat's trade secrets to this day.

1 In the end, Acacia resorts to a naked plea, asking the Court to please help it settle
 2 this case by reducing its liability. Motion at 11. Injecting legal error will not help resolve
 3 this case. Holding Acacia responsible for the full harm its misappropriation of trade
 4 secrets has caused will.

5 BACKGROUND

6 I. THE TECHNOLOGY AT ISSUE AND THE PARTIES' CONFIDENTIAL 7 RELATIONSHIP

8 Plaintiff ViaSat, Inc. ("ViaSat") is a world leader in satellite communications and
 9 network services, infrastructure, and technology. Doc. 1-2 ¶ 6. This case concerns
 10 ViaSat's technology for providing secure communications over fiber optic networks.

11 In 2009, Defendant Acacia Communications, Inc. ("Acacia") commissioned ViaSat
 12 to develop an application-specific integrated circuit ("ASIC") intellectual property core
 13 for a 100-Gigabit-per-second fiber optic modem. *Id.* ¶ 8. Before entering into
 14 substantive discussions, ViaSat and Acacia executed a Non-Disclosure Agreement dated
 15 June 10, 2009 (the "NDA"). Ex. 1.¹ [REDACTED]

16 [REDACTED]
 17 [REDACTED] *Id.*, Recitals, ¶ 8.

18 After negotiating under the terms of the NDA, the parties ultimately entered into an
 19 IP Core Development and License Agreement dated November 20, 2009 (the "License
 20 Agreement"). Ex. 2. The License Agreement provided that ViaSat would develop a
 21 Digital Signal Processing IP core ("the DSP Core") and an IP core for Soft Decision
 22 Forward Error Correction Decoder and Encoder ("the SDFEC Core"). *Id.*, Recitals, § 2.
 23 DSP is the process by which analog signals are converted to digital format for
 24 transmission and use by digital networks and devices. Ex. 3 at 5–10. SDFEC is a
 25 process by which a digital signal is encoded with redundant bits of data, with encoding
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27
 28 ¹ All cited exhibits are attached to the Declaration of Patrick M. Shields, filed
 concurrently.

1 and decoding algorithms for recovering errors in the data stream. Ex. 4 at 7–12. The
 2 parties referred to this project as “Project Everest.” Ex. 5 (Martin) at 31:14–20.

3 The License Agreement provided that ViaSat would retain all intellectual property
 4 rights in all “Background Information,” which included the SDFEC Core, as well as all
 5 other design data, information, manuals, and other documentation owned or developed by
 6 ViaSat prior to the effective date of the License Agreement. Ex. 2 §§ 1(b), 8(a). Acacia
 7 would own intellectual property rights in “Foreground Information” relating to the DSP
 8 Core that were first developed during performance of the License Agreement. *Id.* § 1(j).
 9 The License Agreement granted Acacia a license to use the SDFEC Core in licensed
 10 products, in return for a specified royalty fee. *Id.* §§ 1(k), 1(l), 4(a), 4(b). The License
 11 Agreement prohibited Acacia from using ViaSat’s intellectual property for any other
 12 purpose. *Id.* § 4(a) (“Use of the Licensed Materials for any product other than the
 13 Licensed Product is strictly prohibited unless ACACIA has entered into a separate
 14 written Agreement with VIASAT for such use.”).

15 The License Agreement also contained its own confidentiality provision: “[e]ach
 16 Party shall maintain in strict confidence, and will use and disclose only as authorized by
 17 the disclosing party, in accordance with the provisions of [the NDA], all information that
 18 it receives from the other Party in connection with this Agreement” *Id.* § 9.

19 Acacia started selling Everest products in 2011, and a related product called K2 in
 20 2012. Ex. 6 (Pellach) at 102:14 to 103:2. Acacia has paid royalties on these products,
 21 under the terms of the License Agreement, totaling approximately [REDACTED] through
 22 the second quarter of 2017. Ex. 7. The total amount of royalties continues to increase
 23 because Acacia still sells licensed Everest and K2 products to this day. Motion at 3 n.3.

24 **II. ACACIA’S THEFT OF VIASAT’S SDFEC TECHNOLOGY**

25 In 2014, Acacia began selling new products that were backwards compatible with
 26 the licensed Everest products. Ex. 8 (Shah) at 118:12–20; Ex. 9; Ex. 10 (Vardy) at
 27 146:14–23. These products were dubbed Sky, Denali, and Meru (collectively, “the
 28 Accused Products”). *Id.* It is undisputed that, in order to be backwards compatible—that

1 is, to communicate—with Everest products, the Accused Products must necessarily use
 2 technology described in ViaSat’s asserted trade secrets (“the Trade Secrets”). Ex. 11
 3 (ViaSat’s Amended Trade Secret Disclosure); Ex. 12 ¶¶ 69, 90–91, 107 [REDACTED]
 4 [REDACTED]; *id.*
 5 ¶¶ 131–32, 144–45, 155–56 [REDACTED]
 6 [REDACTED]; *see also* Ex. 4 at 48–57.

7 The Trade Secrets all comprise ViaSat’s confidential information that is protected by
 8 the terms of the License Agreement. Ex. 13 (Supp. Response to Interrogatory No. 19);
 9 Ex. 14 (Second Supp. Response to Interrogatory No. 23). Acacia, however, refuses to
 10 pay royalties on Sky, Denali, or Meru, claiming they are not royalty-bearing products
 11 under the License Agreement. Ex. 8 (Shah) at 138:10–18; Doc. 83-1 at 6.

12 Through the second quarter of 2017 (the most recent period for which Acacia has
 13 produced financial data), Acacia has earned revenues of over [REDACTED] on the
 14 Accused Products. Ex. 15 ¶¶ 60–62. ViaSat’s damages expert, Dr. Prowse, calculates
 15 that approximately [REDACTED] of that revenue is Acacia’s profit attributable to the use
 16 of ViaSat’s Trade Secrets. *Id.* ¶¶ 63–68. This number will continue to increase as Acacia
 17 sells more of the Accused Products.

18 ARGUMENT

19 I. SECTION 13 OF THE LICENSE AGREEMENT DOES NOT APPLY TO 20 VIASAT’S CLAIMS

21 Acacia’s argument that Section 13 of the License Agreement limits its liability is a
 22 misinterpretation of that provision. Motion at 2–12. By its plain language, Section 13
 23 does not apply to damages arising from breach of the License Agreement’s
 24 confidentiality provisions, which is the basis of ViaSat’s claims. Furthermore, while
 25 Section 13 limits damages arising from performance or nonperformance of other portions
 26 of the License Agreement, it does not—and legally cannot—limit liability for intentional
 27 torts, which are based on duties that exist independent of the contract.
 28

A. Section 13 Expressly Excludes Breaches of Section 9 and the NDA

Section 13 of the License Agreement does not apply to ViaSat's claims because it expressly excludes breaches of Section 9 and breaches of the NDA. That is, in fact, the very first line of Section 13: "**EXCEPT FOR BREACHES OF CLAUSE 9 (CONFIDENTIALITY) OR THE NDA . . .**" Ex. 2 § 13. ViaSat has clearly alleged that Acacia violated both Section 9 and the NDA; Acacia's assertion to the contrary (Motion at 10) is simply false.

1. Acacia Breached Section 9 and the NDA by Unauthorized Use of ViaSat's Confidential Information

Acacia's argument assumes that Section 9 and the NDA prohibit only unauthorized *disclosure* of ViaSat's confidential information, but not unauthorized *use* of that information. Motion at 9–10. That assumption is wrong. Section 9 of the License Agreement and the NDA both expressly prohibit disclosure *and* unauthorized use. Section 9 states, in relevant part:

Each Party shall maintain in strict confidence, and will use and disclose only as authorized by the disclosing party . . . all information that it receives from the other Party in connection with the Agreement (including pursuant to a SOW), including, but not limited to, all information concerning trade secrets

Ex. 2 § 9 (emphasis added). Similarly, the NDA provides:

[REDACTED]

Ex. 1 § 8 (emphasis added).

ViaSat's Complaint clearly alleges unauthorized use of ViaSat's confidential information. Doc. 1-2 ¶¶ 21, 29. And a veritable mountain of evidence proves that Acacia did, in fact, use ViaSat's confidential information to create the Accused Products. For example:

- 1 • Two of ViaSat's technical experts, Dr. Narayanan and Dr. Hassoun, have
2 provided detailed reports showing how Acacia's Accused Products use each of
3 ViaSat's asserted Trade Secrets.²
- 4 • Acacia's own expert, Dr. Vardy, concedes that [REDACTED]
5 [REDACTED]³
- 6 • Acacia witnesses confirm [REDACTED]⁴
- 7 • Acacia witnesses also admit that [REDACTED]
8 [REDACTED]⁵ Even a cursory comparison of ViaSat's Everest
9 specifications and Acacia's Sky and Denali specifications reveals extensive
10 copying. Ex. 26.

11 For ViaSat's Trade Secrets No. 1–6, which Acacia admits to using, all of this is
12 undisputed, as discussed in ViaSat's pending Motion for Partial Summary Judgment
13 (Doc. 98-1). Acacia does dispute using Trade Secret No. 7, but that is for the jury to
14 decide. In sum, this evidence is more than sufficient to prove Acacia breached both
15 Section 9 and the NDA.

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17
18 ² Ex. 4 at 77–183; Ex. 16 at 1–3; Ex. 17 at 52–156.

19 ³ Ex. 12 ¶¶ 69, 90–91, 107, 131–32, 144–45, 155–56; Ex. 10 (Vardy) at 145:8 to
20 147:24, 227:3 to 230:9, 231:22 to 232:12, 244:23 to 245:7.

21 ⁴ Ex. 18 (Humblet) at 38:22 to 39:14, 130:13–17, 155:22 to 158:10, 251:7 to 253:7,
22 253:15–24, 294:13–22, 332:18 to 336:17, 337:9–22; Ex. 19; Ex. 20 (Monsen) at 171:14
23 to 172:9; Ex. 21; Ex. 5 (Martin) at 156:15 to 157:6, 160:23 to 161:6, 163:14 to 164:14,
24 168:9 to 169:6, 185:20 to 187:13, 198:7–23, 199:13–25, 205:25 to 207:2, 170:7–12,
25 172:12 to 173:4; Ex. 22 (Rasmussen) at 182:10 to 183:2, 193:22 to 194:15, 195:11 to
26 196:5.

27 ⁵ Ex. 8 (Shah) at 85:25 to 86:20; Ex. 5 (Martin) at 56:12–25, 80:12–18, 125:3–20,
28 134:20 to 135:10; Ex. 18 (Humblet) at 34:2–16, 36:8 to 37:8, 157:16 to 158:10, 244:5 to
246:8, 254:10 to 255:17, 255:24 to 257:2, 257:4–12, 258:19 to 259:19, 260:14–23,
350:7–20, 262:10 to 263:16; Exs. 23–25. Two of these witnesses, Gary Martin and Pierre
Humblet, were Acacia's lead designers for the SDFEC components of the Accused
Products. See Ex. 8 (Shah) at 17:9 to 18:6; Ex. 18 (Humblet) at 15:9–21, 133:23 to 134:8,
164:22 to 165:8.

2. Acacia Breached Section 9 and the NDA by Unauthorized Disclosure of ViaSat's Confidential Information

Acacia also breached Section 9 and the NDA by unauthorized disclosure of ViaSat's confidential information. The NDA [REDACTED]

Ex. 1 § 4(b). Section 9 of the License Agreement incorporates this restriction from the NDA. Ex. 2 § 9.

Incorporating ViaSat's Trade Secrets in Acacia's Accused Products necessarily entailed unauthorized disclosure of those Trade Secrets within Acacia. For example, the lead designer of the Sky decoder, Pierre Humblet, [REDACTED] Ex. 18 (Humblet) at 18:17 to 19:17, 164:22 to 165:8. [REDACTED] *Id.* at 34:2–16, 36:8 to 37:8, 51:2–13, 157:16 to 158:10, 244:5 to 246:8, 254:10 to 255:17, 255:24 to 257:2, 257:4–12, 258:19 to 259:19, 260:14–23, 350:7–20; Exs. 23, 24.

Similarly, Peter Monsen, [REDACTED] Ex. 21 (Monsen) at 18:3–10. [REDACTED] Ex. 25 [REDACTED] (emphasis added)). Acacia admits [REDACTED] Ex. 8 (Shah) at 21:8–16, 33:2–6, 36:15 to 37:23, 41:2–17, 42:22 to 44:6; Ex. 5 (Martin) at 136:2–8, 221:12–25. Disclosure of ViaSat's confidential information to Acacia employees

1 working on the Accused Products, for purposes of incorporating that information into the
2 Accused Products, is necessarily unauthorized and a violation of Section 9 and the NDA.

3 Acacia also disclosed ViaSat's confidential information to unauthorized third parties.

4 For example, [REDACTED]

5 [REDACTED] Ex. 8 (Shah) at 305:3–19. As Acacia's expert, Dr. Koralek, explains,

6 [REDACTED] Ex. 27

7 ¶¶ 109–11. Thus, to the extent the design of Acacia's Accused Products incorporated

8 ViaSat's confidential information, [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 [REDACTED]

12 [REDACTED] Ex. 22 (Rasmussen) at 171:4 to 172:13, 176:2 to 178:12, 181:2 to 184:6; Exs.

13 28–30. [REDACTED]

Id.

14 The evidence therefore shows that Acacia blatantly and repeatedly violated Section 9
15 and the NDA. Because all of ViaSat's claims arise from these violations, the License
16 Agreement's limitation of liability provision, which specifically exempts breaches of
17 Section 9 and the NDA, does not apply.⁶

18 **B. A Party Cannot Contractually Limit Liability for Intentional Torts**

19 Acacia's interpretation of Section 13 is also contrary to law. Under Delaware law, a
20 party cannot contractually limit liability for intentional torts. *Data Mgmt. Internationalé,*
21 *Inc. v. Saraga*, No. 05C-05-108, 2007 WL 2142848, at *4 (Del. Sup. Ct. July 25, 2007)

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23
24 ⁶ Acacia argues that misappropriation of trade secrets cannot trigger the Section 9
25 exception in Section 13 because otherwise that exception would “subsume the entire
26 limitation of liability clause.” Motion at 10. Not so. Section 13 would still apply in the
27 circumstances for which it was designed: claims arising out of performance of the
28 agreement. For example, it would bar consequential damages on a claim for breach of
contract. Ex. 2 § 13(A). It would also limit liability on claims like breach of warranty,
negligence, and strict liability (all of which are specifically enumerated in the License
Agreement). *Id.* § 13(B).

(“[T]he exculpatory clause will not eliminate liability for an intentional tort.” (citing Restatement (Second) of Contracts § 195 (“A term exempting a party from tort liability for harm caused intentionally or recklessly is unenforceable on grounds of public policy.”))); *J.A. Jones Constr. Co. v. Dover*, 372 A.2d 540, 545 (Del. Sup. Ct. 1977) (“A party may not protect itself against liability for its own fraudulent act or bad faith.”); *Delphi Petroleum v. Magellan Terminals Holdings, L.P.*, No. N12C-02-302, 2015 WL 3885947, at *24 (Del. Sup. Ct. June 23, 2015) (“It is undisputed that parties cannot absolve themselves for their own conduct amounting to fraud. However, as to claims that fall somewhere short of fraud, such as claims for bad faith [breach of contract], the Court must undergo a factual analysis that is premature on summary judgment.”).⁷

Misappropriation of trade secrets is an intentional tort. *See 02 Micro Int’l Ltd. v. Monolithic Power Sys., Inc.*, 420 F. Supp. 2d 1070, 1091 (N.D. Cal. 2006). Section 13 of the License Agreement therefore cannot limit Acacia’s liability for misappropriation. Indeed, such a limit would be particularly inappropriate here, given the substantial evidence that Acacia’s misappropriation was willful.⁸

None of the cases on which Acacia relies applies a contractual limitation of liability to intentional torts. They all address limitations of liability or liquidated damages applied to claims for breach of contract or negligence in performance of a contract. *See*

⁷ The parties agree that Delaware law governs interpretation of the License Agreement. However, California law also will not enforce a limitation of liability for intentional torts. *See Embotelladora Electropura S.A. de C.V. v. Accutek Packaging Equip. Co.*, No. 3:16-cv-00724, 2017 WL 3288492, at *4–*6 (S.D. Cal. Aug. 2, 2017); *Health Net of Cal., Inc. v. Dept. of Health Servs.*, 6 Cal. Rptr. 3d 235, 242–44 (Cal. App. 2003); Cal. Civ. Code § 1668.

⁸ *See generally supra*, Section I.A.1. As but one example of Acacia’s consciousness of guilt,

Ex. 40.

1 *eCommerce Indus., Inc. v. MWA Intelligence, Inc.*, No. 7471-VCP, 2013 WL 56216778,
 2 at *44–*45 (Del. Ch. Oct. 4, 2013) (breach of contract); *Lee Builders, Inc. v. Wells*, 103
 3 A.2d 918, 918–19 (Del. Ch. 1954) (breach of contract); *In re Ross & Son, Inc.*, 95 A. 311,
 4 312 (Del. Ch. 1915) (breach of contract); *Column Form Tech., Inc. v. Caraustar Indus.,*
 5 *Inc.*, No. 12C-09-050, 2014 WL 2895507, at *1 (Del. Sup. Ct. June 10, 2014) (breach of
 6 contract); *RHA Constr., Inc. v. Scott Eng’g, Inc.*, No. N11C-03-013, 2013 WL 3884937,
 7 at *8 (Del. Sup. Ct. July 24, 2013) (breach of contract); *Delmarva Power & Light Co. v.*
 8 *ABB Power T&D Co.*, No. Civ.A.00C-02-175, 2002 WL 840564, at *6–*7 (Del. Sup. Ct.
 9 Apr. 30, 2002) (negligence in performance of contract); *Rob-Win, Inc. v. Lydia Sec.*
 10 *Monitoring, Inc.*, No. 04C-11-276, 2007 WL 3360036, at *1 (Del. Sup. Ct. Apr. 30,
 11 2007) (gross negligence in performance of contract); *Donegal Mut. Ins. Co. v. Tri-Plex*
 12 *Sec. Alarm Sys.*, 622 A.2d 1086, 1086–87 (Del. Sup. Ct. 1992) (breach of contract and
 13 negligence). These cases have no application to ViaSat’s misappropriation claim.

14 **C. Acacia’s Interpretation of Section 13 Would Be Unreasonable and**
 15 **Therefore Unenforceable Under Delaware Law**

16 As Acacia concedes, Delaware courts will not enforce a limitation of liability, even
 17 for contract claims, unless it is both “reasonable” and “crystal clear.” *Column Form*
 18 *Tech., Inc.*, 2014 WL 2895507, at *5. Acacia’s interpretation of Section 13 would be
 19 unreasonable, and therefore unenforceable, as applied to ViaSat’s claims.

20 According to Acacia, Section 13 limits damages on any contract or tort claim to
 21 royalties already paid on Acacia’s authorized sales of licensed products. Motion at 2–3.
 22 ViaSat’s claims are based on Acacia’s *unauthorized* use of ViaSat’s confidential
 23 information in *different, unlicensed* products. The products are different, the quantity of
 24 products is different, and the value of ViaSat’s technology to those products is different.
 25 There is no reason to believe that royalties paid on a finite quantity of past products
 26 would bear any relation to actual damages from Acacia’s sale of unbounded quantities of
 27 unlicensed products. There is simply no nexus between the amount of the liability cap
 28 (under Acacia’s interpretation) and ViaSat’s actual damages.

1 The facts here prove the point admirably. As shown in Dr. Prowse's expert report,
 2 Acacia has earned over [REDACTED] in revenue from sales of the Accused Products. Ex.
 3 15 ¶ 61. Dr. Prowse estimates that [REDACTED] of that revenue represents Acacia's
 4 profits that are directly attributable to misappropriation of ViaSat's Trade Secrets. *Id.* ¶
 5 68. Acacia's Motion does not challenge these numbers, so for purposes of summary
 6 judgment they are undisputed. Applying Section 13 in the way Acacia urges would
 7 therefore limit ViaSat to only a tiny fraction of its actual damages, based on a metric that
 8 bears no relationship to the scope of Acacia's wrongdoing. This is not "reasonable."

9 Acacia's interpretation of Section 13 also directly contradicts the express royalty
 10 provisions of the License Agreement. Acacia's license to use ViaSat's technology is
 11 contingent on full payment of specified royalties. Ex. 2 § 4(b). Acacia contends the
 12 Accused Products should, for damages purposes, be treated as royalty-bearing products
 13 under the License Agreement, Motion at 12 & n.7, and ViaSat has asserted a contract
 14 claim, in the alternative, for such royalties. Doc. 1-2 ¶¶ 19-23. It is undisputed that the
 15 amount of royalties for Acacia's Accused Products would be approximately [REDACTED]
 16 through the second quarter of 2017 (and rising as Acacia sells more products). Ex. 15
 17 ¶ 94; Ex. 31 ¶ 9; Motion at 12 n.7. Acacia's interpretation of Section 13, however, would
 18 cap royalties for the Accused Products at only [REDACTED], far less than the actual
 19 royalty provisions of the License Agreement would dictate. It is not "reasonable" to
 20 interpret the License Agreement in such a self-contradictory manner. Nor is it "crystal
 21 clear" that the parties intended such an absurd result.

22 Acacia argues that a limit of [REDACTED] is reasonable in relation to the amount of
 23 development fees Acacia paid for Everest. Motion at 4, 7. That is both legally and
 24 factually irrelevant. ViaSat's Trade Secrets are its intellectual property. The value of that
 25 property to ViaSat (or to Acacia), and the harm caused by its misappropriation, is not
 26 limited to the actual engineering expenses incurred on any single project. Ex. 32 (Dave)
 27 at 299:4 to 300:22 (explaining that the [REDACTED]
 28 [REDACTED])

1 [REDACTED]. Applying Section 13 in the manner Acacia urges would prevent ViaSat from
 2 recovering the full value of its misappropriated technology; indeed, it would ensure
 3 ViaSat's recovery had no relation to its actual damages. The License Agreement should
 4 not be construed to require this unreasonable result.

5 **D. Acacia's Interpretation of Section 13 Would Lead to Absurd Results**

6 Basic principles of contract interpretation disfavor any interpretation that would
 7 produce absurd results. *See AgroFresh Inc. v. MirTech, Inc.*, 257 F. Supp. 3d 643, 657
 8 (D. Del. 2017) (citing *Osborn ex rel. Osborn v. Kemp*, 991 A.2d 1153, 1160 (Del. 2010)
 9 ("An unreasonable interpretation produces an absurd result or one that no reasonable
 10 person would have accepted when entering the contract.")).

11 Acacia's interpretation of Section 13 makes no economic sense and would lead to
 12 absurdity. Under Acacia's view, Acacia could have stopped paying royalties on Licensed
 13 Products at any time—after \$1 even—and thereby cap its own liability for any future use
 14 of ViaSat's Trade Secrets.⁹ This notwithstanding all of the other provisions of the
 15 License Agreement stating royalty terms and restrictions on Acacia's use of ViaSat's
 16 technology, all of which Acacia could effectively render moot by simply not paying.

17 Moreover, under Acacia's view, the liability cap would be a moving target. As
 18 Acacia concedes, Acacia is still paying royalties on Everest products. Motion at 3 n.3.
 19 As long as that is true, the amount of the cap is constantly changing—though, again,
 20 based on factors that have no relation to ViaSat's actual damages in this case.¹⁰

21
 22 ⁹ Acacia argues the minimum cap level is \$3.2 million because that was the agreed
 23 development fee. Motion at 7. That would still be an absurdly low cap, relative to the
 24 value of ViaSat's intellectual property. But Acacia's argument also misses the point:
 25 Section 13 refers to the aggregate amount "paid" by Acacia. Under its interpretation,
 26 Acacia could lower the cap by unilaterally choosing not to pay the full development fee.

27 ¹⁰ Acacia argues that damages were uncertain at the time of contracting because "the
 28 parties could not know at the time of contracting if Acacia would manage to launch any
 Royalty Bearing Products, let alone how many it might ultimately sell." Motion at 6.
 But that does not make ViaSat's damages for misappropriation uncertain; it makes the
 amount of the purported liability cap uncertain.

1 Acacia's interpretation of Section 13 would thus allow Acacia to set the limit on its
2 own liability for any wrongdoing. It would mean, in effect, that ViaSat sold all of its
3 technology for a small but indeterminate price that would ultimately be whatever Acacia
4 felt like paying. No one would ever agree to a contract written that way.

5 Acacia's own damages expert, Mr. Bersin, refused to answer [REDACTED]
6 [REDACTED]. Ex. 33 (Bersin) at 73:11 to 77:16.
7 But when estimating Acacia's alleged damages on its counterclaims, [REDACTED]
8 [REDACTED], even though Section 13 by its terms applies to both parties. Ex. 36 ¶ 6;
9 Ex. 33 (Bersin) at 90:10 to 91:20.¹¹ Thus, not only is Acacia's interpretation of Section
10 13 irrational, it also contradicts Acacia's own counterclaim allegations.

11 **II. VIASAT IS ENTITLED TO UNJUST ENRICHMENT DAMAGES**

12 **A. The Uniform Trade Secret Act Specifically Authorizes Unjust** 13 **Enrichment Damages for Misappropriation of Trade Secrets**

14 Acacia's argument that a license agreement precludes recovery for unjust enrichment
15 damages is a misstatement of the law. Motion at 12–14. ViaSat's claim for
16 misappropriation of trade secrets arises under the Uniform Trade Secrets Act ("UTSA"),
17 which both California and Delaware have adopted.¹² Doc. 1-2 ¶¶ 28–33. The UTSA
18

19 ¹¹ [REDACTED]

20 [REDACTED] Ex. 34. [REDACTED]

21 [REDACTED]
22 [REDACTED] Ex. 39; Ex. 33 (Bersin) at 214:22 to 219:20. [REDACTED]
23 [REDACTED]

24 ¹² The Court need not decide whether ViaSat's claim for misappropriation of trade
25 secrets is governed by California or Delaware law, because they are the same in all
26 respects relevant to Acacia's Motion. However, if the Court is inclined to reach that
27 issue, California law should govern. ViaSat's misappropriation claim is pleaded under
28 the California Uniform Trade Secret Act ("CUTSA") because ViaSat's principal place of
business is in California, meaning the harm caused by Acacia's misappropriation accrues
primarily here. Doc. 1-2 ¶¶ 1, 28–33. Acacia has previously acknowledged that
California law applies, both by pleading its own misappropriation counterclaim under

specifically authorizes unjust enrichment damages, in addition to any actual loss. Cal. Civ. Code § 3426.3(a) (“A complainant also may recover for the unjust enrichment caused by misappropriation that is not taken into account in computing damages for actual loss.”); 6 Del. Code § 2003(a) (same). The existence of a contract may give rise to a separate cause of action and separate remedies for breach of contract, but it cannot eviscerate the statutory remedy of unjust enrichment under the UTSA.

Courts applying the UTSA in both California and Delaware have permitted unjust enrichment damages for misappropriation in cases where the parties also had a contract. For example, in *Digital Envoy, Inc. v. Google, Inc.*, No. 5:04-CV-1497, 2005 WL 2999364 (N.D. Cal. Nov. 8, 2005), the plaintiff’s claims included both breach of a license agreement and misappropriation of trade secrets under the UTSA. *See id.* at *1. The defendant (like Acacia here) moved for partial summary judgment on damages, arguing that the license agreement limited plaintiff’s damages and that plaintiff could not recover for unjust enrichment. *See id.* The court rejected this argument, holding that although the license agreement governed the parties’ *contractual* rights, the UTSA nevertheless authorized recovery of unjust enrichment on the misappropriation claim. *See id.* at *5 (“[P]ursuant to the CUTSA, [plaintiff] may attempt to prove an entitlement to unjust enrichment recovery arising from the misappropriation of its trade secrets”); *see also B. Braun Med., Inc. v. Rogers*, 163 Fed. Appx. 500, 502, 506 (9th Cir. 2006) (holding district court erred as a matter of law in ruling plaintiff was not entitled to unjust enrichment damages under the UTSA, in case arising out a written licensing agreement); *Agilent Techs., Inc. v. Kirkland*, C.A. No. 3512-VCS, 2010 WL 610725, at *25 (Del. Ch. Feb. 18, 2010) (awarding both compensatory damages and unjust enrichment on claims of breach of contract and misappropriation of trade secrets under the UTSA); *Total Care Physicians, P.A. v. O’Hara*, 798 A.2d 1043, 1056 (Del. Sup. Ct. 2001) (denying summary judgment on claim for unjust enrichment based on misappropriation of trade secrets).

CUTSA, Doc. 3, Counterclaims ¶¶ 79–84, and by refusing to provide discovery until ViaSat had complied with the “reasonable particularity” requirements of CUTSA, Ex. 35.

1 Acacia's own claims in this case are again inconsistent with the position it now
 2 advocates at summary judgment. Acacia has asserted counterclaims for breach of
 3 contract based on the License Agreement, Doc. 3, Counterclaims ¶¶ 48–74, and for
 4 misappropriation of trade secrets under California's UTSA, *id.* ¶¶ 79–84. Yet Acacia's
 5 asserted damages are [REDACTED] Ex. 36 ¶¶ 5–10.
 6 Acacia's own conduct shows its Motion's description of the law is simply false.

7 None of the cases on which Acacia's Motion relies are UTSA cases. They all
 8 address a completely different issue: whether a party can recover unjust enrichment
 9 under a *quasi-contract theory* where the parties also have an express written contract.
 10 *See Pedrick v. Roten*, 70 F. Supp. 3d 638, 652–53 (D. Del. 2014) (plaintiff could not
 11 recover under both quasi-contract and express contract theories); *Moon Express, Inc. v.*
 12 *Intuitive Machs., LLC*, No. 16-344, 2017 WL 4217335, at *8–*10 (D. Del. Sept. 22,
 13 2017) (plaintiff *could* plead separate claim for quasi-contract unjust enrichment, to the
 14 extent there was a dispute regarding the applicability of express contract);¹³ *Tolliver v.*
 15 *Christina Sch. Dist.*, 564 F. Supp. 2d 312, 315–16 (D. Del. 2008) (plaintiff could not
 16 pursue claim for quasi-contract where express, enforceable contract governed the issue in
 17 dispute); *Chapman v. Skype Inc.*, 220 Cal. App. 4th 217, 233–34 (2013) (restitution of
 18 benefits conferred under a contract may not be awarded unless the contract is rescinded
 19 or unenforceable); *Cheramie v. HBB, LLC*, 545 Fed. Appx. 626, 628 (9th Cir. 2013)
 20 (plaintiff could not state a claim for quasi-contract unless express contract was
 21 unenforceable or ineffective); *Paracor Fin., Inc. v. General Elec. Capital Corp.*, 96 F.3d
 22 1151, 1166–67 (9th Cir. 1996) (claim for quasi-contract does not lie when an enforceable,
 23 binding agreement defines the rights of the parties). That case law has no application
 24 where, as here, the claim for misappropriation of trade secrets arises under a statute that
 25 specifically authorizes unjust enrichment damages.

26
 27
 28 ¹³ The Court in *Moon Express* explicitly did not address plaintiff's claims for
 misappropriation of trade secrets. *See Moon Express*, 2017 WL 4217335, at *1 n.1.

B. The License Agreement Cannot Limit Damages for Any Use of Confidential Information Outside the Scope of the License

1. ViaSat's Claim for Misappropriation of Trade Secrets Is Based on Unlicensed Products

The factual premise of Acacia's Motion is also false. Acacia's argument that ViaSat's damages are limited to contract royalties assumes that the Accused Products are Licensed Products within the scope of the License Agreement. The License Agreement governs the parties' relationship only with respect to certain Licensed Materials for use in certain Licensed Products. Ex. 2 §§ 1(k), 1(l), 4(a). Any other use of ViaSat's Trade Secrets is strictly prohibited. *Id.* § 4(a) ("Use of the Licensed Materials for any product other than the Licensed Product is strictly prohibited unless ACACIA has entered into a separate written Agreement with VIASAT for such use."). The License Agreement does not establish a royalty rate for unlicensed products, because they are unlicensed. The License Agreement therefore cannot control the measure of damages for products outside of its scope. *See Tolliver*, 564 F. Supp. 2d at 315–16 ("Delaware law permits a claim for unjust enrichment where an express contract exists that does not govern exclusively the obligations or rights of the parties at issue.").

ViaSat's misappropriation claim is based on *unlicensed* use of ViaSat's Trade Secrets. Acacia took portions of the Background Information it received as part of the License Agreement, copied it, and used it without permission in other, unlicensed products. *See supra*, Section I.A.1. Damages for unlicensed use of ViaSat's Trade Secrets are not set by the License Agreement; they are governed by the UTSA.

If Acacia wants to concede liability for breach of contract, it can argue as a defense to the misappropriation claim that the Accused Products are licensed, so long as it agrees to pay royalties under the License Agreement. Ex. 2 § 4(b) ("The foregoing license is granted to ACACIA under this Agreement subject to . . . payment of a per unit Recurring Royalty Fee in accordance with the following table per each Royalty Bearing Product sold by or on behalf of ACACIA . . ."). But so far Acacia has vociferously denied the

Accused Products are licensed products within the scope of the License Agreement. Doc. 83-1 at 6 (“THE ACCUSED PRODUCTS ARE NOT ‘LICENSED PRODUCTS,’ SO ACACIA DOES NOT OWE VIASAT FURTHER PAYMENT UNDER SECTION 4(b) OF THE AGREEMENT”). Acacia cannot reasonably argue that ViaSat is limited to contract damages on the Accused Products, while simultaneously claiming that the Accused Products are not subject to contractual royalties. *Cf. MIG Investments LLC v. Aetrex Worldwide, Inc.*, 852 F. Supp. 2d 493, 512–13 (D. Del. 2012) (holding plaintiff could pursue alternative claims for breach of express contract and unjust enrichment, where there was some dispute concerning the applicability of the contract).

2. The License Agreement Expressly Excludes ViaSat’s Source Code from the License

Acacia’s argument that damages are limited to license royalties also suffers from another, more specific problem: the License Agreement specifically excludes ViaSat source code from the scope of the license. In the definition of “Licensed Materials,” the License Agreement states:

For the avoidance of doubt, *source code for Licensed Materials* shall not be delivered to ACACIA under this Agreement and *shall not be a Licensed Material*.

Ex. 2 § 1(k) (emphasis added). Thus, to the extent Acacia used ViaSat’s source code to create the Accused Products, that use was outside the scope of the license and not governed by the License Agreement’s royalty provisions.

The evidence shows that Acacia did exactly that. As detailed in the expert report of Dr. Hassoun, [REDACTED]

[REDACTED] Ex. 17 at 1, 52–156. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *Id.*

at 87. [REDACTED]

1 [REDACTED]. *Id.* [REDACTED]
 2 [REDACTED] *Id.* As Dr. Hassoun concludes, [REDACTED]
 3 [REDACTED]
 4 [REDACTED] *Id.*; *see also id.*
 5 at 92 [REDACTED] *id.* at 99 [REDACTED]
 6 [REDACTED]
 7 Dr. Koralek, Acacia's rebuttal expert, [REDACTED]
 8 [REDACTED] Ex. 27 at ¶¶ 21–24 [REDACTED]
 9 [REDACTED]
 10 [REDACTED]
 11 [REDACTED] *Id.* [REDACTED] That,
 12 however, is an issue of fact for the jury.

13 There is also other direct evidence of copying. Acacia's Gary Martin, one of the
 14 lead designers of the Accused Products' SDFEC components, admitted at deposition that

15 [REDACTED]
 16 [REDACTED]
 17 [REDACTED]
 18 [REDACTED]
 19 [REDACTED]
 20 [REDACTED]
 21 [REDACTED]
 22 [REDACTED]

23 Ex. 5 (Martin) at 69:8–21; *see also id.* at 78:18 to 79:10 [REDACTED]
 24 [REDACTED]
 25 [REDACTED]
 26 [REDACTED] Pierre Humblet, who designed the decoder for Denali, said at the time [REDACTED]
 27 [REDACTED] Ex. 18 (Humblet) at 231:18 to
 28 232:19; Ex. 37 [REDACTED] Martin said

1 [REDACTED]
2 [REDACTED]. Ex. 5 (Martin) at 116:23 to 117:5, 143:10 to 144:11. As shown above, the
3 License Agreement specifically forbade this.

4 Given this (largely undisputed) evidence that Acacia used ViaSat's unlicensed source
5 code, there is no basis in law or in fact to limit ViaSat's damages to the terms of the
6 License Agreement.

7 **3. Acacia Contends That *All* of ViaSat's Asserted Trade Secrets Are**
8 **Outside the Scope of the License**

9 Acacia's argument is not only inconsistent with ViaSat's contentions in this case, it is
10 also inconsistent with Acacia's own contentions. Acacia has filed a motion for partial
11 summary judgment asserting that none of the Accused Products are royalty-bearing
12 products under the License Agreement, even if they use ViaSat's asserted Trade Secrets.
13 Doc. 83-1 at 6–11 (“THE ACCUSED PRODUCTS ARE NOT ‘LICENSED
14 PRODUCTS,’ SO ACACIA DOES NOT OWE VIASAT FURTHER PAYMENT
15 UNDER SECTION 4(b) OF THE AGREEMENT”). Acacia bases this argument on the
16 premise that none of ViaSat's asserted Trade Secrets are part of the “SDFEC Core” that
17 ViaSat licensed to Acacia in the License Agreement. *Id.*; *see also* Ex. 12 ¶¶ 28–34,
18 56–60; Ex. 27 ¶ 119.

19 To be sure, these issues are contested. But that is precisely why summary judgment
20 is inappropriate. The jury could find that ViaSat's Trade Secrets No. 1–7 are protectable
21 trade secrets that were not licensed to Acacia under the License Agreement. In that case,
22 Acacia would have no right to use them in the Accused Products, and the License
23 Agreement would have nothing to say about what the royalty for those Trade Secrets
24 should be. In any event, Acacia cannot get summary judgment based on a theory that
25 contradicts its own position.
26
27
28

III. THE TERMS OF THE NDA DO NOT LIMIT VIASAT'S CLAIM FOR MISAPPROPRIATION OF TRADE SECRETS

A. The License Agreement Creates an Independent Confidentiality Obligation that Acacia Has Breached

Acacia's argument that ViaSat's trade secret protection expired in [REDACTED] is based on another blatant misreading of the License Agreement. Motion at 14–20. The License Agreement creates an independent confidentiality obligation that survives expiration of either the NDA or even the License Agreement itself.

1. The License Agreement and the NDA Contain Overlapping But Separate Confidentiality Provisions

The NDA, by its terms, was designed to cover only information provided as part of the contract negotiations. Ex. 1, Recitals, § 2. While negotiation of the License Agreement necessarily required some exchange of confidential information, that information could be somewhat high-level and did not necessarily need to include all of the details of ViaSat's Trade Secrets. Thus, a limited-term NDA [REDACTED] was reasonable protection at that stage. However, once the parties executed the License Agreement, completing Everest required ViaSat to share much more detailed trade secret information. For that reason, the License Agreement itself imposes confidentiality obligations that overlap with but are stricter than those of the NDA.

Section 9 of the License Agreement states:

Each Party shall maintain in strict confidence, and will use and disclose only as authorized by the disclosing party, in accordance with the Non-Disclosure Agreement #NDATG06102009 executed between them on June 10, 2009 (the "NDA"), all information that it receives from the other Party in connection with the Agreement

Ex. 2 § 9. Although this Section incorporates the substantive restrictions of the NDA, it explicitly supersedes the temporal scope of the NDA: "The terms of this Clause 9 shall survive the termination of this Agreement." *Id.*; *see also* § 7(d) (providing that Section 9 "will survive the termination of this Agreement"). Section 9 therefore imposes a

1 confidentiality restriction that lasts for the entire duration of the License Agreement
 2 (which is still in effect), survives termination of the License Agreement, and continues
 3 until the end of time. Acacia's argument that Section 9 incorporates the [REDACTED] term of
 4 the NDA thus contradicts the language of Section 9 itself. And without that premise,
 5 Acacia's Motion must fail because ViaSat's Trade Secrets remain subject to
 6 confidentiality restrictions.

7 Reading the License Agreement as a whole confirms that Section 9 and the NDA
 8 impose separate obligations. For example, Section 13 (the very provision on which
 9 Acacia relies elsewhere in its Motion) states: "EXCEPT FOR BREACHES OF
 10 CLAUSE 9 (CONFIDENTIALITY) **OR** THE NDA" Ex. 2 § 13 (emphasis added).
 11 The disjunctive "or" clearly indicates that Section 9 imposes obligations separate from
 12 and in addition to those of the NDA.

13 Other provisions of the License Agreement impose further confidentiality
 14 restrictions that do not depend in any way on the NDA. Section 8 provides that all
 15 intellectual property rights in the Background Information "are and will remain the sole
 16 property of VIASAT" (§ 8(a)), and that Acacia may not use (§ 8(b)) or copy (§ 8(c)) any
 17 Background Information or other Licensed Materials for any purpose except the
 18 manufacture and sale of Licensed Products under the License Agreement. The License
 19 Agreement also requires Acacia to destroy all Licensed Materials within ten days after
 20 termination of the agreement. *Id.* § 7(d). Like Section 9, these provisions survive
 21 termination of the License Agreement and have no expiration date. *Id.*

22 **2. Acacia's Own Allegations Are Inconsistent with Its Interpretation** 23 **of Section 9 and the NDA**

24 Acacia's own actions are further evidence that the expiration of the NDA does not
 25 extinguish trade secret claims. The terms of both the NDA and Section 9 are bilateral.
 26 Section 9 explicitly states that "[a]ll Foreground Information shall be deemed ACACIA's
 27 Confidential Information for purposes of the NDA." Ex. 2 § 9. Thus, if the NDA's
 28 [REDACTED] term governed disclosures under the License Agreement, it would apply to

Acacia's alleged trade secrets as well. Acacia's own allegations show this is not so. Acacia concedes it disclosed its asserted trade secrets to ViaSat by no later than [REDACTED] Ex. 38, Acacia's Responses to Interrogatories No. 9, 10. Under the logic of Acacia's Motion, those trade secrets would have become unprotected by [REDACTED]; yet the vast majority of Acacia's claimed damages are based on ViaSat projects that did not even begin until [REDACTED]. Ex. 36 ¶¶ 46–60, 69; Exs. 34, 39. Clearly, expiration of the NDA does not have the effect that Acacia now claims.

3. ViaSat's Misappropriation Claim Is Based on Information Disclosed Under the License Agreement, Not Just the NDA

The undisputed evidence shows that ViaSat did not disclose the full details of its Trade Secrets to Acacia until after signing the License Agreement. Ex. 14, ViaSat's Second Supplemental Response to Interrogatory No. 23. While ViaSat disclosed some of the high-level concepts to Acacia during the contract negotiations (i.e., under the NDA), it did not disclose the complete implementation of any of those Trade Secrets until 2010 (i.e., under the more restrictive terms of the License Agreement). *Id.* For example, ViaSat disclosed [REDACTED] [REDACTED]; but it did not disclose [REDACTED] [REDACTED] *Id.* Because ViaSat did not disclose any of the asserted Trade Secrets in full until after the parties signed the License Agreement, the term of the NDA has no impact on ViaSat's misappropriation claim.

B. ViaSat Took Reasonable Steps to Maintain the Secrecy of Its Trade Secrets

Acacia's Motion also fails because expiration of a confidentiality agreement does not automatically extinguish a trade secret. The premise of Acacia's argument is that, once the NDA expired, any information covered by the NDA was no longer "secret" and thus *per se* lost trade secret protection. Motion at 15–18. But that premise is legally wrong.

1 The UTSA does not require absolute secrecy, only “efforts that are *reasonable under the*
 2 *circumstances* to maintain [] secrecy.” Cal. Civ. Code § 3426.1(d)(2) (emphasis added).¹⁴
 3 What is “reasonable under the circumstances” is a fact-intensive inquiry that is rarely
 4 appropriate on summary judgment. *See Medtronic MiniMed, Inc. v. Nova Biomedical*
 5 *Corp.*, No. 08-788, 2009 WL 10671420, at *4 (C.D. Cal. May 22, 2009) (citing *AT&T*
 6 *Commc’ns of Cal., Inc. v. Pacific Bell*, No. 99-15668, 2000 WL 1277937, at *2 (9th Cir.
 7 Sept. 8, 2000)).

8 In particular, the absence of a confidentiality agreement is not dispositive on the
 9 issue of “reasonable efforts”; it is only one factor. *See Hilderman v. Enea TekSci, Inc.*,
 10 551 F. Supp. 2d 1183, 1202 (S.D. Cal. 2008) (“[T]he lack of confidentiality agreements is
 11 not dispositive on the issue of secrecy. Enea may have taken other precautions to keep its
 12 information secret”); *InfoSpan, Inc. v. Emirates NBD Bank PJSC*, No. 11-1062,
 13 2015 WL 13357646, at *4 (C.D. Cal. May 6, 2015) (same); *see also Nelson Sports, Inc.*
 14 *v. Climb X Gear, LLC*, No. 10-06977, 2011 WL 13217554, at *2 (C.D. Cal. Aug. 25,
 15 2011) (denying motion for summary judgment because “the absence of a written
 16 confidentiality agreement [does not] preclude[] the finding of trade secret protection”
 17 (alterations in original)).¹⁵ Without considering all the relevant facts and circumstances,
 18 the Court (or the jury) cannot determine what “reasonable” efforts are required to
 19 maintain secrecy.

20 *Medtronic* is directly on point. Defendant there argued that plaintiff’s trade secret
 21 claim failed as a matter of law because the parties’ non-disclosure agreement expired
 22 before release of the accused product. *See Medtronic*, 2009 WL 10671420, at *4. The
 23 court rejected this argument, noting that “other courts have held that time-limited
 24 non-disclosure agreements do constitute reasonable measures to protect trade secrets.”
 25

26 ¹⁴ Delaware law is the same. *See* 6 Del. Code § 2001(4)(b).

27 ¹⁵ Again, Delaware law is the same. *See, e.g., Beard Research, Inc. v. Kates*, 8 A.3d
 28 573, 596 n.147 (Del. Ch. 2010); *Savor, Inc. v. FMR Corp.*, No. 10-149, 2004 WL
 1965869, at *7 (Del. Sup. Ct. July 15, 2004).

1 *Id.* at *5. The court concluded that “[w]hether the time-limited Non-Disclosure
2 Agreement, combined with the CDA [another confidentiality agreement], constitute
3 reasonable measures to maintain secrecy are factual issues for the jury to decide.” *Id.*

4 Acacia does not cite a single California or Delaware case where expiration of an
5 NDA was deemed sufficient to destroy trade secret protection. In the cases it cites, there
6 was either widespread public disclosure, or disclosure with no indication of
7 confidentiality whatsoever. *See, e.g., In re Providian Credit Card Cases*, 116 Cal. Rptr.
8 3d 833, 843 (Cal. Ct. App. 2002) (scripts disclosed to the public by telemarketers);
9 *Nextdoor.com, Inc. v. Abhyanker*, No. 12-5667, 2014 WL 1648473, at *8 (N.D. Cal. Apr.
10 23, 2014) (no reasonable efforts to keep bidding information sent to bid recipients
11 confidential); *HiRel Connectors, Inc. v. United States*, No. 01-11069, 2006 WL 3618011,
12 at *8–*9 (C.D. Cal. Jan. 25, 2006) (materials submitted with RFP response and
13 distributed at industry working group meetings with no confidentiality designation); *Total*
14 *Care Physicians, P.A.*, 798 A.2d at 1055–56 (no efforts to keep compilation of
15 publicly-available contact information confidential); *Pennwalt Corp. v. Akzona Inc.*, 570
16 F. Supp. 1097, 1114–15 (D. Del. 1983) (no confidential relationship or indication that
17 information provided was confidential).¹⁶

18 In this case, ViaSat made substantial efforts to protect the confidentiality of its Trade
19 Secrets, in addition to the NDA with Acacia. Ex. 13, Supplemental Response to
20 Interrogatory No. 19. These include [REDACTED]

21 [REDACTED]
22 [REDACTED]
23 [REDACTED] *Id.* Finally, as already discussed, ViaSat put additional confidentiality
24 restrictions in the License Agreement itself. Ex. 2 §§ 8, 9. Taken together, these efforts
25

26 ¹⁶ Acacia also cites a handful of cases from other jurisdictions. Motion at 17–18. To
27 the extent these cases suggest a confidentiality agreement of finite duration is sufficient,
28 by itself, to extinguish trade secret protection, they are inconsistent with the laws of
California and Delaware.

1 are more than reasonable under the circumstances. Because Acacia's Motion does not
2 challenge any of these other steps ViaSat took to protect its confidential information,
3 summary judgment on the issue of secrecy is not appropriate.

4 CONCLUSION

5 For the foregoing reasons, Acacia has failed to meet its burden of proving it is
6 entitled to summary judgment on the issue of damages. Acacia's Motion should be
7 denied in all respects.

8
9 Dated: February 6, 2018

Respectfully Submitted,

10
11 /s/ Kenneth M. Fitzgerald

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CERTIFICATE OF SERVICE

I certify that today I am causing to be served the foregoing document by CM/ECF notice of electronic filing upon the parties and counsel registered as CM/ECF Users. I further certify that, to the extent they are not registered CM/ECF Users, I am causing the foregoing document to be served by electronic means via email upon counsel for Acacia Communications, Inc., per the agreement of counsel.

Dated: February 6, 2018

s/ Kenneth M. Fitzgerald

Kenneth M. Fitzgerald, Esq.